

People love to buy! Just watch people in malls, at fairs, sporting events or concerts buying products on impulse.

When people buy policies, investments, and services, they prefer to buy from someone whom they feel understands them. That buying preference is being bolstered by another trend; Increasing feelings of disconnection from mega-churches, neighbors, and families are making the need to connect to another person greater.

In the wake of this, agents are repeatedly told by insurance companies and trade publications to not sell their “wares” as commodities. However, not only are insurance companies and blocks of business being openly traded as commodities, but distribution systems, including agent and client lists, are bought and sold the same way.

Although this aspect of the insurance business will intensify, it is neither intrinsically good nor bad and should not be feared by agents or clients. It is simply an inevitable evolutionary process that is going on in businesses throughout the world.

What is bad is the growing feeling of being disconnected, by both agents and clients, from the companies that we look to for our financial security.

In the past, agents sold and clients bought the guaranteed financial security that could only be offered by insurance companies. In today’s world, insurance companies are quietly disconnecting from those

guarantees and passing more of the investment risk to policyholders.

That’s one of the reasons why you see companies and agencies changing their names to something like “The XYZ Financial Group” and pushing variable, equity-indexed, and fixed annuities with market value adjustment clauses.

Talk about being disconnected, you’ve probably called a home office and spent ten minutes weaving your way through the voice mail system, only to hear the message, “Sorry, but I’m out of the office for the next two weeks.”

If you think it’s maddening to you, just think how infuriating it is to your clients.

Any time there is a problem, there is also an opportunity on the other side.

The buffer between insurance companies and clients is the agent. As some companies become more disconnected, it is an opportunity for agents to become more connected to their clients. The more personalized service given while selling consumer oriented policies, the more the connection is bonded into a longer, more fruitful relationship.

“Whose money is it anyway?” That’s the first question insurance companies must answer if they want to reconnect to their policyowners.

For example, sometimes clients need some or all of their money out of their annuities or life policies. When they do, the withdrawal, surrender, or

transfer form is so complicated they don’t know how to fill it out; so they call the company and after failing to reach out and touch someone who can help them, they get mad.

They really get mad at everyone associated with the insurance business when a policy conservation department takes over and won’t release their money for 30 to 60 days.

The money doesn’t belong to the company nor any agent. It belongs to the policyowner and they should have the right to take their money out or move it somewhere else, subject to policy limitations, without having to ask for anyone’s permission.

The surrendering company has an opportunity to keep a friend by handling the request within 3 working days and writing a personal letter thanking them for their business, expressing their desire to do more business with the client in the future.

There really is more to a policy than rate and more to the profitability of a company than the Return on Equity.

To connect or disconnect is the question. The agents and companies that connect to their clients in today’s environment will be the leading agents and companies in the 21st century.

People want to buy financial security from people with whom they feel they have a connection. It is the job of agents and companies to make that connection as easy as possible.